

INFORMATIVE NOTE

The amendment to the Articles of Association strengthens the company's climate governance by transferring responsibility to the Board of Directors

Iberdrola entrusts its Board of Directors with responsibility for climate action

- In a pioneering move, its highest management body will assume ultimate responsibility for the company's fight against climate change, approving, supervising and reporting on the climate action plan to ensure the group's climate neutrality by 2050
- The shareholders will be consulted regarding the Group's Climate Action Policy at the General Meeting on 18 June, involving them in the basic principles and lines of action in the fight against climate change

Iberdrola has convened its [General Shareholders' Meeting for 18 June](#), where Climate Change will be a priority matter for consultations and voting by the company's shareholders. The Board will be consulted about the company's climate policy and, in a pioneering move, the meeting will be asked to approve a reform of the Articles of Association to make the members of the Board of Directors responsible for approving and producing regular reports on a climate action plan, to enable Iberdrola to achieve global climate neutrality by 2050. This change will strengthen climate governance by assigning responsibility and commitment to the Board.

The group's highest management body will, therefore, become directly involved in the fight against climate change, in line with its commitment to achieving zero net emissions by 2050 or sooner. It will also set intermediate targets for reducing direct and indirect emissions and establish science-based objectives aligned with those in the Paris agreement, setting a strategy and investment policy consistent with emissions objectives and defining methodologies for evaluating compliance. Once the new measures are approved, the Board of Directors will be responsible for approving and updating the climate action plan, and for issuing annual climate management reports as of next year.

The new role assigned to the Board is another step forward with the group's [Climate Action Plan](#) which will be put to the shareholders for an advisory vote, furthering Iberdrola's intention to share with and involve all stakeholders in the company's basic principles and positioning and the lines of action implemented in its strategy to fight climate change with 2030 and 2050 endpoints, as well as in the growth of the group.

Iberdrola's climate action policy also involves the creation of a climate plan to establish priority lines of action for contributing to the electrification of the economy. To do this, the group is supporting regulatory initiatives to encourage measures such as electric mobility and heat pumps; "the polluters pay" principle, eliminating subsidies for high-emissions technologies and sectors, analysing risks derived from climate change and, in general, developing a real, global energy transition.

The content of the Climate Action Policy is aligned with the recommendations from the *Task Force on Climate-related Financial Disclosure* (TCFD), a benchmark climate reporting platform that establishes guidelines for integrating climate change in internal strategic planning and decision-making processes and long-term risk analysis, management and reporting.



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Iberdrola is firmly committed to SDG 7 and 13 on climate action in the United Nations' 2030 Agenda, and has already set ambitious objectives in this regard. The company is making progress to achieving climate neutrality in Europe in 2030 and globally by 2050. As part of this process, Iberdrola will reduce its global CO₂ emissions intensity by 73 % by 2030 with respect to 2015 to 50 gCO₂/kWh and will be globally carbon-neutral by 2050 or sooner.

These targets are coherent with Iberdrola's strategy, which entails investments totalling €75 billion by 2025 - rising to €15 billion by 2030, mainly earmarked for developing more renewables and smart grids, which will make it possible to double renewable capacity to 60 GW during the period, which will reach almost 100 GW in one decade.

Iberdrola's climate action policy

The climate action policy will establish a framework for organising the group's strategy and business model in a manner consistent with its commitment to the fight against climate change.

The company has made environmental performance and the fight against climate change a key area of governance and sustainability, which is inspired by the highest standards in terms of climate governance. In this regard, it is aware of how its activities contribute to climate objectives, and the need to have adequate capacity and suitable mechanisms to adapt to climate change.

Hence its commitment to play a leading role in the fight against climate change, either directly or by forming alliances with other agents; promoting a social culture aimed at raising awareness among all stakeholders on the magnitude of this challenge and the benefits of achieving it; considering the impact of this phenomenon on the group's activities and having an active, determining impact on achieving a carbon-neutral, sustainable future, reducing the environmental impact of all its activities and encouraging the adoption of all available measures.

Climate action plan

To fulfil its commitment, Iberdrola has a six-point climate action plan:

- Contribute to the mitigation of climate change and the decarbonisation of the energy model;
- Support international negotiations and significant participation by the private sector;
- Maintain global leadership in renewable energies, smart grids and efficient technologies;
- Integrate climate change in internal decision-making processes, as well as in long-term risk analysis and management for the Group;
- Foster a culture of energy efficiency and responsible use of energy;
- Promote training and climate awareness among stakeholders and the adoption by suppliers of suitable policies.

About Iberdrola

[Iberdrola](#) is a leading global energy supplier – the third-largest by market capitalisation in the world and the leader in renewables – championing the energy transition towards a low-emissions economy. The group supplies energy to around 100 million people in dozens of countries and has renewable, grid and commercial activities in Europe (Spain, the UK, Portugal, France, Germany, Italy and Greece), the US, Brazil, Mexico and Australia, while counting markets including Japan, Ireland, Sweden and Poland among its growth platforms.



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With a workforce of more than 37,000 and assets of over €12.518 billion, it recorded turnover in excess of €33 billion and net profit slightly exceeding €3.61 billion in 2020. The company contributes to the maintenance of 400,000 jobs in its supply chain, with an annual procurement budget of €14 billion. A leader in the fight against climate change, Iberdrola has committed more than €120 billion over the last two decades to building a sustainable energy model based on sound environmental, social and governance (ESG) principles.

